

DIVISION OF TAXATION HIGHLIGHTS

- Division of Taxation received 1998 Compliance Award from the Federation of Tax Administrators. This national award is given for a program in tax compliance showing excellence, creativity and effectiveness.
- NJ TeleFile program has been further expanded for the 1998 tax year and more than 181,000 returns were TeleFiled.
- Final year for the phase-in of the property tax deduction/credit benefit.
- Legislation signed by Governor Whitman effectively freezes property taxes at 1997 levels for eligible seniors and disabled homeowners.
- Pilot program expanded to allow taxpayers to file their ST-50 returns via the Internet and make the actual payment via electronic funds transfer.
- Pilot program instituted to accept Application for Extension of Time to File New Jersey Gross Income Tax Return (Form NJ-630) through the Internet from taxpayers who are not required to pay additional tax with the extension request.
- Division of Taxation employees attended first Financial Status Auditing class (formerly dubbed “Economic Reality”) conducted by the IRS. With increased emphasis on cash businesses, economic reality awareness will complement current enforcement efforts.
- One-time appropriation made for fiscal year 1998 to fund the Disabled Veteran Retroactive Refund Program.
- Through a cooperative effort with the IRS, Compliance Services Branch accelerated New Jersey Personal Gross Income Tax Delinquency Program for tax years 1993, 1994 and 1995.
- Special Compliance Unit established to investigate noncompliant, transient vendors who set up temporary sales locations out of trucks or vans.
- Taxpayer Services Branch responded to more than 2,900 e-mail inquiries in the 1998 fiscal year, an increase of nearly 500% from 1997.

- Field Investigators registered 1,833 new taxpayers as a result of canvassing/sweep activities.
- Office Audit Branch generated assessments, including penalty and interest, in excess of \$75 million, while issuing 23,614 tax certificates of various types.
- Gross Income Tax Audit Branch focuses on entertainers, professional athletes, partnerships and their partners, S corporations and related shareholders, the self-employed, and employers withholding gross income tax.
- Field Audit generated assessments, including penalty and interest, in excess of \$96 million.